North Carolina Department of Health and Human Services
2001 Mail Service Center • Raleigh, North Carolina 27699-2001
Tel 919-733-4534 • Fax 919-715-4645

Michael F. Easley, Governor

Carmen Hooker Odom, Secretary

February 7, 2007

MEMORANDUM

TO: Legislative Oversight Committee
Commission for MH/DD/SAS
Local CFAC Chairs
State CFAC
NC Council of Community Programs
NC Association of County Commissioners
County Managers
County Board Chairs
State Facility Directors
LME Directors
LME Board Chairs
DHHS Division Directors
Advocacy Organizations
Provider Organizations
NC Association of County DSS Directors
MH/DD/SAS Stakeholders

FROM: Carmen Hooker Odom

SUBJECT: Focused System Review on Community Support Service

North Carolina's transformation of the clinical services for mental health, developmental disabilities, and substance abuse has now been in place since March 20, 2006 – the date the new service definitions were implemented. Given that 10 months have now passed, it is likely that all consumers have transitioned to their new services.

The Department's oversight plan for the implementation of the new service definitions has always included: (a) a post-implementation review of the effectiveness of the new service and the appropriate payment for these services; and (b) proof that our system has moved towards evidenced-based practices. To date this oversight has included a review of records and Person Centered Plans (PCPs), billing patterns, utilization and authorization data, and provider endorsement and licensing information.

We believe that now is the appropriate time to involve a larger group of stakeholders in the post implementation review of the new services. To that end, we are conducting an

in-depth, focused review of the most commonly used new service, Community Support for children and adults with mental illness and substance use disorders.

Community Support was chosen for an intensive review for a number of reasons. Through our initial data review, we have become concerned that, in some cases, the new Community Support service may not have been provided in manner consistent with the definition. We are also concerned about the utilization of Community Support as a stand-alone service – especially because we believe that an over-reliance on this service may be hampering the availability of other enhanced services.

Community Support was designed to provide a specific case management function performed by a qualified professional and to develop specific skill building tools for consumers. When used appropriately, this service should support consumers through transitions in our mental health system, and provide focused, skill based interventions to assist in the development of consumer and family autonomy.

Community Support was never designed nor intended to be a replacement for other treatment services such as outpatient therapy, Intensive In-home, Multi-Systemic Therapy (MST), Assertive Community Treatment Team (ACTT), Substance Abuse Intensive and Comprehensive Outpatient Programs (SAIOP), etc. However, our review of utilization patterns suggests that in some cases many, many hours of the Community Support service are being used in isolation and in lieu of other, more intensive, evidence-based service options. We are equally concerned that this over reliance on Community Support may be slowing the development of the full array of evidenced-based best practice services that all of us have worked so hard to develop.

To validate and then address these concerns, Department and Local Management Entity (LME) staff will immediately undertake a focused audit of provider agencies that represent the highest billing volume of the Community Support service. Providers will receive notification of the audit this week, and state and local staff will be on site beginning early next week.

Following this month-long audit, we will involve the participation of applicable stakeholders in the public mental health, developmental disabilities, and substance abuse services system. We will work with ValueOptions and the Local Management Entities (LMEs) to examine and tighten the criteria used to authorize Community Support for Medicaid and non-Medicaid eligible consumers. And we will work with LMEs, providers, and consumers and families regarding the decisions that are made about the appropriate services to be included in a Person Centered Plan. An adjustment to the reimbursement rate for Community Support may also be warranted. Finally, it is likely

that we will identify the need for additional training to ensure the expectations regarding how the new Community Support service is designed to operate (within the full continuum of services) is clear. All efforts (the audit, stakeholder input, rate review, etc.) will be wrapped up by the end of April 2007.

We believe these proactive efforts will ensure that the new Community Support service is delivered consistently across the state and that it will achieve the goals of recovery for individuals with mental illness and substance use disorder.

Should you have any questions regarding this memorandum, please contact Dr. Mike Lancaster at DMH/DD/SAS (919) 733-7011 or Michael.Lancaster@ncmail.net) or Tara Larson at DMA (919) 855-4261 or Tara.Larson@ncmail.net, if you have any questions.

cc: Dan Stewart
Emery Milliken
L. Allen Dobson, MD
Mike Moseley
Debbie Crane
Mark Benton
William Lawrence, MD
Leza Wainwright
Mike Lancaster, MD
Sharnese Ransome
Kaye Holder
Deborah Landry
Wayne Williams
Kari Barsness
Walker Wilson
Kory Goldsmith
Andrea Russo-Poole